

Economic Impact Statement
LSA Document #12-279

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

IC 4-22-2.1-5(a) provides that an agency intending to adopt a rule under IC 4-22-2 that will impose requirements on small businesses must prepare a statement that describes the annual economic impact of the rule on small businesses after the rule is fully implemented as described in IC 4-22-2.1-5(b).

Description of Rulemaking

LSA Document #12-279 amends 405 IAC 1-12-1, 405 IAC 1-12-3, 405 IAC 1-12-11, and 405 IAC 1-12-26 to revise rate-setting criteria for nonstate-owned intermediate care facilities for the mentally retarded and community residential facilities for the developmentally disabled; amends 405 IAC 1-14.6-1 through 405 IAC 1-14.6-4, 405 IAC 1-14.6-7, 405 IAC 1-14.6-9 through 405 IAC 1-14.6-12, 405 IAC 1-14.6-14, 405 IAC 1-14.6-18, and 405 IAC 1-14.6-22 to revise rate-setting criteria for nursing facilities; amends 405 IAC 1-14.6-24 to revise the nursing facility provider quality assessment fee; and repeals 405 IAC 1-14.6-23 and 405 IAC 1-14.6-25. Statutory authority: IC 12-15-21-2; IC 12-15-21-3.

Economic Impact on Small Businesses**1. An estimate of the number of small businesses, classified by industry sector that will be subject to the proposed rule.**

IC 5-28-2-6 defines a small business as a business entity that satisfies the following requirements:

- (1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.
- (2) The majority of the employees of the business entity work in Indiana.

The OMPP estimates that there are 256 facilities out of a total of 541 private ICFs/MR and CRFs/DD and 79 nursing facilities out of a total of 465 nursing facilities that are Medicaid certified and meet the criteria of a small business.

2. An estimate of the average annual reporting, record keeping, and other administrative costs that small business will incur to comply with the proposed rule.

The proposed rule amendment will not impose any additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule.

3. An estimate of the total annual economic impact that compliance will have on small businesses subject to the rule.

There is no economic impact that compliance will have on a small business subject to this rule, since no small businesses will incur any additional cost to comply with this rule.

4. A statement justifying any requirement or cost that is imposed by the rule and not expressly required by law. The statement must reference any data, studies, or analyses relied upon by the agency in determining imposition of the requirement or cost is necessary.

The proposed rule amendment will not impose any additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule.

5. Any regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the same purpose.

Other factors considered are as follows:

A. Establishment of less stringent compliance or reporting requirements for small businesses.

The rule has no impact on reporting requirements for small businesses.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

The rule has no impact on schedules or deadlines for compliance or reporting requirements for small businesses.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

The rule has no impact on compliance or reporting requirements for small businesses.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

The rule has no impact on performance or operational standards for small businesses.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

The rule imposes no additional requirements or cost on small businesses.

Posted: 12/19/2012 by Legislative Services Agency
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